

FIFTY NINTH LEGISLATURE - REGULAR SESSION

FORTY FOURTH DAY

House Chamber, Olympia, Tuesday, February 21, 2006

The House was called to order at 10:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The flag was escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Jack Hunter and Morgan McBride. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Pastor Paul Lundborg, Lutheran Church of the Good Shepherd.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

The Speaker assumed the chair.

MESSAGE FROM THE SENATE

February 20, 2006

Mr. Speaker:

The Senate has passed:

- SECOND SUBSTITUTE SENATE BILL NO. 6326,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6384,
- SUBSTITUTE SENATE BILL NO. 6512,
- SUBSTITUTE SENATE BILL NO. 6533,
- SECOND SUBSTITUTE SENATE BILL NO. 6542,
- SECOND SUBSTITUTE SENATE BILL NO. 6557,
- SECOND SUBSTITUTE SENATE BILL NO. 6558,
- SUBSTITUTE SENATE BILL NO. 6671,
- SUBSTITUTE SENATE BILL NO. 6781,
- SUBSTITUTE SENATE BILL NO. 6898,

SUBSTITUTE SENATE CONCURRENT RESOLUTION NO. 8417, and the same are herewith transmitted.

Thomas Hoemann, Secretary

INTRODUCTION & FIRST READING

HB 3313 by Representatives Wallace and Morrell

AN ACT Relating to a business and occupation tax deduction for reimbursements for immunizing agents; and adding a new section to chapter 82.04 RCW.

Referred to Committee on Finance.

HB 3314 by Representative Dunshee

AN ACT Relating to authorizing state general obligation bonds for correctional facilities, Hood Canal rehabilitation,

and the Columbia river basin water supply development program; adding new chapters to Title 43 RCW; and declaring an emergency.

Referred to Committee on Capital Budget.

SSB 6326 by Senate Committee on Ways & Means (originally sponsored by Senators Shin, Rasmussen, Pflug, Doumit, Rockefeller, Weinstein, Pridemore, Hewitt, Jacobsen, Thibaudeau, Swecker, Sheldon, Oke, Keiser, Kohl-Welles, Franklin, Kline and Berkey)

AN ACT Relating to providing a source of funding for customized work force training; adding a new section to chapter 82.04 RCW; adding a new section to chapter 28B.50 RCW; adding a new chapter to Title 28B RCW; making an appropriation; and providing an expiration date.

Referred to Committee on Higher Education & Workforce Education.

ESSB 6384 by Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Prentice, Doumit, Zarelli and Brandland; by request of Governor Gregoire)

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital improvements; amending 2005 c 488 ss 109, 131, 138, 140, 142, 143, 152, 161, 201, 206, 212, 252, 255, 264, 323, 324, 325, 327, 329, 330, 340, 341, 342, 346, 360, 365, 368, 369, 370, 372, 376, 382, 385, 386, 387, 390, 391, 392, 395, 427, 443, 451, 453, 601, 605, 608, 612, 614, 632, 696, 714, 777, 795, 733, 905, and 909 (uncodified); adding new sections to 2005 c 488 (uncodified); creating new sections; and declaring an emergency.

Referred to Committee on Capital Budget.

SSB 6512 by Senate Committee on Water, Energy & Environment (originally sponsored by Senators Fraser, Pridemore, Honeyford, Poulsen, Mulliken, Regala, Rockefeller, Delvin and Kline)

AN ACT Relating to enhancing air quality at truck stops; adding a new section to chapter 82.04 RCW; adding new sections to chapter 82.08 RCW; adding new sections to chapter 82.12 RCW; creating a new section; and providing expiration dates.

Referred to Committee on Finance.

SSB 6533 by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Zarelli, Schoesler, Benton and McCaslin)

AN ACT Relating to syrup taxes; adding a new section to chapter 82.04 RCW; and providing an effective date.

Referred to Committee on Finance.

2SSB 6542 by Senate Committee on Ways & Means (originally sponsored by Senators Mulliken, Rasmussen, Schoesler, Sheldon, Morton, Shin, Delvin and Honeyford)

AN ACT Relating to the excise taxation of persons engaged in farming and farming services; amending RCW 82.04.330; adding a new section to chapter 82.16 RCW; and providing an effective date.

Referred to Committee on Finance.

2SSB 6557 by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles and Keiser)

AN ACT Relating to the taxation of motion picture and video production services; amending RCW 82.04.460 and 82.08.0315; adding a new section to chapter 82.04 RCW; and providing an expiration date.

Referred to Committee on Finance.

2SSB 6558 by Senate Committee on Ways & Means (originally sponsored by Senators Brown, Hewitt, Eide, Kohl-Welles, Benson, McAuliffe, Benton, Kline and Keiser)

AN ACT Relating to the state of Washington's economic, cultural, and educational standing in the motion picture industry; adding a new section to chapter 82.04 RCW; and adding a new chapter to Title 43 RCW.

Referred to Committee on Finance.

SSB 6671 by Senate Committee on Ways & Means (originally sponsored by Senators Doumit, Delvin, Rasmussen and Parlette)

AN ACT Relating to clarifying the application of taxes to the financial activities of professional employer organizations; amending RCW 82.08.010, 82.12.010, 82.80.050, and 35.102.040; adding a new section to chapter 82.04 RCW; adding a new section to chapter 82.32 RCW; adding a new section to chapter 35.102 RCW; adding a new section to chapter 82.02 RCW; and providing an effective date.

Referred to Committee on Finance.

SSB 6781 by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Pflug, Fraser, Parlette, Shin and Schoesler)

AN ACT Relating to environmental remediation; amending RCW 82.04.190; reenacting and amending RCW 82.04.050; adding a new section to chapter 82.04 RCW; and providing an expiration date.

Referred to Committee on Finance.

SSB 6898 by Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Brandland, Prentice and Zarelli)

AN ACT Relating to authorizing state general obligation bonds for correctional facilities and the Columbia river basin water supply development program; adding new chapters to Title 43 RCW; creating a new section; and declaring an emergency.

Referred to Committee on Capital Budget.

SSCR 8417 by Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Kohl-Welles, Prentice, Parlette, Kline and Rasmussen)

Establishing a committee on gambling policy setting.

Referred to Committee on Commerce & Labor.

There being no objection, the bills and resolution listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

REPORTS OF STANDING COMMITTEES

February 17, 2006

SSB 5126 Prime Sponsor, Senate Committee On Ways & Means: Developing policies, procedures, and mandatory training programs on sexual harassment for all state employees. Reported by Committee on State Government Operations & Accountability

MAJORITY recommendation: Signed by Representatives Haigh, Chairman; Green, Vice Chairman; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt; McDermott; Miloscia and Sump.

MINORITY recommendation: Signed by Representatives Schindler.

Referred to Committee on Appropriations.

February 17, 2006

ESSB 5305 Prime Sponsor, Senate Committee On Health & Long-Term Care: Prohibiting vaccinating pregnant women and children with mercury-containing vaccines. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Lantz.

Passed to Committee on Rules for second reading.

February 17, 2006

SSB 5318 Prime Sponsor, Senate Committee On Health & Long-Term Care: Improving patient safety practices. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Alexander; Appleton; Bailey; Clibborn; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Condotta.

Referred to Committee on Appropriations.

February 17, 2006

ESSB 5535 Prime Sponsor, Senate Committee On Health & Long-Term Care: Modifying optometry licensing requirements. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey;

Clibborn; Condotta; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Lantz.

Passed to Committee on Rules for second reading.

February 17, 2006

SB 5636 Prime Sponsor, Senator Keiser: Revising provision for imposition of sanctions on health professionals. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Lantz.

Passed to Committee on Rules for second reading.

February 17, 2006

2ESB 5714 Prime Sponsor, Senator Keiser: Establishing an early detection breast and cervical cancer screening program. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Lantz.

Passed to Committee on Rules for second reading.

February 17, 2006

ESB 6152 Prime Sponsor, Senator Kastama: Regarding penalties for violations of the public disclosure act. Reported by Committee on State Government Operations & Accountability

MAJORITY recommendation: Signed by Representatives Haigh, Chairman; Green, Vice Chairman; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt; McDermott; Miloscia and Sump.

MINORITY recommendation: Signed by Representatives Schindler.

Passed to Committee on Rules for second reading.

February 17, 2006

SB 6159 Prime Sponsor, Senator Jacobsen: Concerning recreational fishing for albacore tuna. Reported by Committee on Natural Resources, Ecology & Parks

MAJORITY recommendation: Signed by Representatives B. Sullivan, Chairman; Upthegrove, Vice Chairman; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake; Chandler; Dickerson; Eickmeyer; Hunt; Kagi and Orcutt.

Passed to Committee on Rules for second reading.

February 17, 2006

SSB 6161 Prime Sponsor, Senate Committee On Natural Resources, Ocean & Recreation: Concerning group fishing permits. Reported by Committee on Natural Resources, Ecology & Parks

MAJORITY recommendation: Signed by Representatives B. Sullivan, Chairman; Upthegrove, Vice Chairman; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake; Chandler; Dickerson; Eickmeyer; Hunt; Kagi and Orcutt.

Passed to Committee on Rules for second reading.

February 17, 2006

SSB 6323 Prime Sponsor, Senate Committee On Government Operations & Elections: Concerning campaign finance disclosure. Reported by Committee on State Government Operations & Accountability

MAJORITY recommendation: Signed by Representatives Haigh, Chairman; Green, Vice Chairman; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt; McDermott; Miloscia and Sump.

MINORITY recommendation: Signed by Representatives Schindler.

Passed to Committee on Rules for second reading.

February 17, 2006

SB 6418 Prime Sponsor, Senator Keiser: Adding requirements to renew initial limited licenses for dental hygienists. Reported by Committee on Health Care

MAJORITY recommendation: Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Signed by Representatives Lantz.

Passed to Committee on Rules for second reading.

February 17, 2006

SB 6429 Prime Sponsor, Senator Jacobsen: Exempting certain Native American cultural resources information from public disclosure. Reported by Committee on State Government Operations & Accountability

MAJORITY recommendation: Signed by Representatives Haigh, Chairman; Green, Vice Chairman; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt; McDermott; Miloscia and Sump.

MINORITY recommendation: Signed by Representatives Schindler.

Passed to Committee on Rules for second reading.

There being no objection, the bills listed on the day's committee reports sheet under the fifth order of business were referred to the committees so designated.

SECOND READING

HOUSE BILL NO. 2871, By Representatives Murray, Dickerson, Appleton and Simpson

Creating a regional transportation commission.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2871 was substituted for House Bill No. 2871 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2871 was read the second time.

Representative Murray moved the adoption of amendment (860):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that effective transportation planning in urbanized regions requires stronger and clearer lines of responsibility and accountability.

The legislature further finds that integrated, multimodal transportation planning will help reduce transportation congestion and improve safety, and that streamlined decision making will help reduce political congestion.

The legislature further finds that coordinated planning of, investment in, and operation of transportation systems will have significant benefit to the citizens of Washington, and that it is the will of the people to fund regional transportation solutions, including improving transit service in urbanized areas and among existing, fragmented transit agencies in the region. Although equity considerations must be respected, transportation problems are broader and deeper than the sum of geographic subareas.

It is therefore the policy of the state of Washington to create a regional transportation commission to develop a proposal for a regional transportation governing entity more directly accountable to the public, and to develop a comprehensive regional transportation finance plan for the citizens of the Puget Sound metropolitan region.

NEW SECTION. Sec. 2. (1) The regional transportation commission is established.

(2) The commission shall consist of nine commissioners. Three of the nine commissioners shall comprise the county executives of each of those contiguous counties of the Puget Sound metropolitan region comprising a county with a population over one million five hundred thousand persons and the immediately adjacent counties each with a population over five hundred thousand persons. The remaining six commissioners shall be appointed by the governor by June 1, 2006. Appointments of commissioners shall reflect geographical balance and diversity of populations within the Puget Sound region and, to the extent possible, include commissioners with special expertise in relevant fields such as funding, planning, and construction of transportation improvement projects and operation of transportation systems. Vacancies for any appointed commission seat shall be filled in the same manner as the original appointments were made.

(3) Each person appointed by the governor shall hold office until the commission dissolves under section 6 of this act or until a successor is appointed and qualified as set forth in subsection (4) of this section, whichever is earlier.

(4) The term of office for a commissioner begins seven days following appointment by the governor. A commissioner must be a qualified elector under the state Constitution when his or her term of office begins.

(5) The commission chair presides over the commission and sets the commission agenda subject to general rules established by the commission. Except as provided otherwise in this chapter, the commission chair appoints all members of the committees, councils, and boards created by the rules of the commission. The commission chair shall be designated by the governor from among the six commissioners appointed under subsection (2) of this section.

(6) Each member of the commission is eligible to receive compensation in an amount not to exceed two hundred fifty dollars for each day during which the member attends an official meeting of the group or performs statutorily prescribed duties approved by the chair. A person shall not receive compensation for a day of service under this section if the person (a) occupies a position normally regarded as full time in nature, in any agency of the federal government, Washington state government, or Washington state local government, and (b) receives any compensation from such

government for working that day. A commissioner may be compensated under this subsection only if the compensation is necessarily incurred in the course of authorized business, consistent with the responsibilities of the commission established by this chapter.

(7) The commission may be entitled to state funding, as appropriated by the legislature, to pay for expenses incurred by the commission and the department of transportation and through contracts in carrying out the duties authorized in this chapter.

NEW SECTION. Sec. 3. The commission has the following duties:

(1) Evaluate transportation governance in the central Puget Sound area within the jurisdiction of the Puget Sound regional council. This evaluation must include an assessment of the current roles of regional transportation agencies, including regional transportation and metropolitan planning organizations, the regional transit authority, regional transportation investment districts, county and municipal agencies operating transit services, and cities, counties, and other public agencies providing transportation services or facilities. The commission shall assess and develop recommendations for what steps should be taken to:

(a) Consolidate governance among agencies, including changes in institutional powers, structures, and relationships and governance needed to improve accountability for transportation decisions, while enhancing the regional focus for transportation decisions and maintaining equity among citizens in the region;

(b) Improve coordination in the planning of transportation investments and services;

(c) Improve investment strategies;

(d) Coordinate transportation planning and investments with adopted land use policies within the region;

(e) Enhance efficiency and coordination in the delivery of services provided;

(f) Adjust boundaries for agencies or functions within the region to address existing and future transportation and land use issues; and

(g) Improve coordination between regional investments and federal funds, and state funding, including those administered by the transportation improvement board, the county road administration board, and the freight mobility strategic investment board;

(2) Develop a regional transportation governance proposal that includes, at a minimum, the formation of a regional transportation governing entity, of which all or a majority of its members must be directly elected, the revenue sources that will be available to such entity, and the scope of planning authority of such entity;

(3) Publicize the commission's proposal referenced in subsection (2) of this section by November 15, 2006, and provide at least fifteen days for public comment;

(4) Adopt the proposal referenced in subsection (2) of this section and submit it to the legislature by January 1, 2007;

(5) Develop a comprehensive, integrated transportation finance plan for the metropolitan Puget Sound region to be submitted to the affected voters by the regional transportation governing entity;

(6) Conduct public meetings to assure active public participation in the development of the recommendations, proposal, and finance plan under this section.

NEW SECTION. Sec. 4. The department of transportation shall provide staff support to the commission and, upon request of the commission, contract with other parties for staff support to the commission.

NEW SECTION. Sec. 5. (1) The governing body of a city with a population of five hundred sixty thousand or more, in which a city transportation authority has been formed under chapter 35.95A RCW, may set and impose any tax authorized under chapter 35.95A RCW, but only (a) for funding nonmonorail transit within the city; (b) after the debt and obligations, including judgments, of the city transportation authority have been satisfied; and (c) if the grant of such taxing authority is contained in the integrated regional transportation finance plan developed by the regional transportation commission and approved by the voters as part of an integrated regional transportation ballot measure.

(2) The transit projects and services funded under subsection (1) of this section must be consistent with the metropolitan transportation plan adopted under RCW 35.58.240 and any integrated transportation finance plan developed by the commission under section 3 of this act.

(3) For purposes of subsection (1)(b) of this section, the debt and obligations of the city transportation authority are satisfied upon receipt, by the governing body of the city, of a letter from the governing body of the authority certifying that: (a) The debt is retired; and (b) a contingency account has been funded in an amount determined by the governing body of the authority to be sufficient to resolve any existing and reasonably foreseeable legal claims against the authority.

NEW SECTION. Sec. 6. Upon such time as the regional transportation governing entity established by the legislature pursuant to the commission's recommendations becomes fully operational: (1) All of the powers, functions, and duties of the commission shall be transferred to the regional transportation governing entity; (2) the commission shall take such additional actions as needed to wind up its affairs; and (3) the commission shall dissolve.

Sec. 7. RCW 35.58.250 and 1965 c 7 s 35.58.250 are each amended to read as follows:

Except for a regional transit authority constructing or operating a high capacity transportation service by contract under RCW 35.58.260(2) or in accordance with an agreement made as provided herein, upon the effective date on which the metropolitan municipal corporation commences to perform the metropolitan transportation function, no person or private corporation shall operate a local public passenger transportation service within the metropolitan area with the exception of taxis, busses owned or operated by a school district or private school, and busses owned or operated by any corporation or organization solely for the purposes of the corporation or organization and for the use of which no fee or fare is charged.

An agreement may be entered into between the metropolitan municipal corporation and any person or corporation legally operating a local public passenger transportation service wholly within or partly within and partly without the metropolitan area and on said effective date under which such person or corporation may continue to operate such service or any part thereof for such time and upon such terms and conditions as provided in such agreement. Where any such local public passenger transportation service will be required to cease to operate within the metropolitan area, the commission may agree with the owner of such service to purchase the assets used in providing such service, or if no agreement can be reached, the commission shall condemn such assets in the manner provided herein for the condemnation of other properties.

Wherever a privately owned public carrier operates wholly or partly within a metropolitan municipal corporation, the Washington utilities and transportation commission shall continue to exercise jurisdiction over such operation as provided by law.

Sec. 8. RCW 35.58.260 and 1965 c 7 s 35.58.260 are each amended to read as follows:

(1) Subject to subsection (2) of this section, if a metropolitan municipal corporation shall be authorized to perform the metropolitan transportation function, it shall, upon the effective date of the assumption of such power, have and exercise all rights with respect to the construction, acquisition, maintenance, operation, extension, alteration, repair, control, and management of passenger transportation which any component city shall have been previously empowered to exercise and such powers shall not thereafter be exercised by such component cities without the consent of the metropolitan municipal corporation: PROVIDED, That any city owning and operating a public transportation system on such effective date may continue to operate such system within such city until such system shall have been acquired by the metropolitan municipal corporation and a metropolitan municipal corporation may not acquire such system without the consent of the city council of such city.

(2) The governing body of a city with a population of five hundred sixty thousand or more that sets and imposes any tax under section 5 of this act may plan and direct the expenditure of revenues from such tax through contracting with a metropolitan municipal corporation or a regional transit authority for the construction, acquisition, maintenance, operation, extension, alteration, repair, control, and management of those transit projects and services for which tax revenues may be spent under section 5 of this act. If the city exercises such authority under this subsection, neither the metropolitan municipal corporation nor the regional transit authority shall, as a result, reduce the hours of transit service it provides within the corporate limits of the city.

Sec. 9. RCW 36.120.020 and 2002 c 56 s 102 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means the governing body of a regional transportation investment district.

(2) "Department" means the Washington state department of transportation.

(3) "Highway of statewide significance" means an existing or proposed state route or federal interstate designated as a highway of statewide significance by the transportation commission, its successor entity, or the legislature.

(4) "Lead agency" means a public agency that by law can plan, design, and build a transportation project and has been so designated by the district.

(5) "Regional transportation investment district" or "district" means a municipal corporation (~~whose boundaries are coterminous with two or more contiguous counties and~~) that has been created by county legislative authorities and a vote of the people under this chapter to implement a regional transportation investment plan.

(6) "Regional transportation investment district planning committee" or "planning committee" means the advisory committee created under RCW 36.120.030 to create and propose to county legislative authorities a regional transportation investment plan to develop, finance, and construct transportation projects.

(7) "Regional transportation investment plan" or "plan" means a plan to develop, construct, and finance a transportation project or projects.

(8) "Transportation project" means:

(a) A capital improvement or improvements to a highway that has been designated, in whole or in part, as a highway of statewide significance, including an extension, that:

(i) Adds a lane or new lanes to an existing state or federal highway; or

(ii) Repairs or replaces a lane or lanes damaged by an event declared an emergency by the governor before January 1, 2002.

(b) A capital improvement or improvements to all or a portion of a highway of statewide significance, including an extension, and may include the following associated multimodal capital improvements:

(i) Approaches to highways of statewide significance;

(ii) High-occupancy vehicle lanes;

(iii) Flyover ramps;

(iv) Park and ride lots;

(v) Bus pullouts;

(vi) Vans for vanpools;

(vii) Buses; and

(viii) Signalization, ramp metering, and other transportation system management improvements.

(c) A capital improvement or improvements to all or a portion of a city street, county road, or existing highway or the creation of a new highway that intersects with a highway of statewide significance, if all of the following conditions are met:

(i) The project is included in a plan that makes highway improvement projects that add capacity to a highway or highways of statewide significance;

(ii) The secretary of transportation determines that the project would better relieve traffic congestion than investing that same money in adding capacity to a highway of statewide significance;

(iii) Matching money equal to ~~((one-third))~~ fifteen percent of the total cost of the project is provided by local entities, including but not limited to a metropolitan planning organization, county, city, port, or private entity in which a county participating in a plan is located. Local entities may use federal grants to meet this matching requirement;

(iv) In no case may the cumulative regional transportation investment district contribution to all projects constructed under this subsection (8)(c) exceed ten percent of the revenues generated by the district;

(v) In no case may the cumulative regional transportation investment district contribution to all projects constructed under this subsection (8)(c) exceed one billion dollars; and

(vi) The specific projects are included within the plan and submitted as part of the plan to a vote of the people.

(d) Any project contained in the state transportation plan or a regional transportation planning organization that is of statewide or regional significance, including, without limitation, investment in new or existing highways of statewide significance, principal arterials of regional significance, high-capacity transportation, public transportation, and other transportation projects of regional or statewide significance, including transportation demand management.

Operations, preservation, and maintenance ~~((are excluded from this definition and))~~ of any facility or program authorized by this section may ~~((not))~~ be included in a regional transportation investment plan.

(9) "Weighted vote" means a vote that reflects the population each board or planning committee member represents relative to the population represented by the total membership of the board or planning committee. Population will be determined using the federal 2000 census or subsequent federal census data.

Sec. 10. RCW 36.120.030 and 2002 c 56 s 103 are each amended to read as follows:

Regional transportation investment district planning committees are advisory entities that are created, convened, and empowered as follows:

(1) A county with a population over one million five hundred thousand persons and any adjoining counties with a population over five hundred thousand persons may create a regional transportation investment district and shall convene a regional transportation investment district planning committee.

(a) The boundaries of the district should include at least the contiguous areas within the regional transit authority serving the counties. A city must be entirely within or entirely outside district boundaries. The boundaries must be proposed by the district and approved by the county legislative authorities by ordinance before or in conjunction with approval of a regional transportation investment plan. Boundaries must follow contiguous parcels of land. However, any portion of a county that is located on a peninsula may be exempt from a regional transportation investment district in which more than one county is included if (i) the portion of the county located on the peninsula is connected to the other portion of the county by a bridge improved under chapter 47.46 RCW, and (ii) the county has a national park and a population of more than five hundred thousand persons, but less than one million five hundred thousand persons.

(b) After voters within the district boundaries have approved a plan under RCW 36.120.070, elections to add areas to the district boundaries may be called by a resolution of the board, after consultation with the regional transportation planning organization and affected transit agencies and with the concurrence of the legislative authority of the city or town if the area is incorporated or with the concurrence of the county legislative authority if the area is unincorporated. The election may include a single ballot measure providing annexation to the district, approval of the plan, and approval of revenue sources necessary to finance the plan. The electorate are the voters voting within the proposed area to be annexed. A simple majority of the persons voting on the single ballot measure is required for approval of the measure. This option for annexation applies to areas within the counties initially establishing a district and also to areas within a county having a population over two hundred thirty thousand persons and whose boundaries abut three counties eligible to form a district under this subsection.

(2) The members of the legislative authorities participating in planning under this chapter shall serve as the district planning committee. Members of the planning committee receive no compensation, but may be reimbursed for travel and incidental expenses as the planning committee deems appropriate.

The secretary of transportation, or the appropriate regional administrator of the department, as named by the secretary, shall serve on the committee as a nonvoting member.

(3) A regional transportation investment district planning committee may be entitled to state funding, as appropriated by the legislature, for start-up funding to pay for salaries, expenses, overhead, supplies, and similar expenses ordinarily and necessarily incurred in selecting transportation projects and funding for those transportation projects under this chapter. Upon creation of a regional transportation investment district, the district shall within one year reimburse the state for any sums advanced for these start-up costs from the state.

(4) The planning committee shall conduct its affairs and formulate a regional transportation investment plan as provided under RCW 36.120.040, except that it shall elect an executive board of seven members to discharge the duties of the planning committee and

formulate a regional transportation investment plan, subject to the approval of the full committee.

(5) At its first meeting, a regional transportation investment district planning committee may elect officers and provide for the adoption of rules and other operating procedures.

(6) Governance of and decisions by a regional transportation investment district planning committee must be by a sixty-percent weighted majority vote of the total membership.

(7) The planning committee may dissolve itself at any time by a two-thirds weighted majority vote of the total membership of the planning committee.

Sec. 11. RCW 36.120.040 and 2003 c 194 s 1 are each amended to read as follows:

(1) A regional transportation investment district planning committee shall adopt a regional transportation investment plan providing for the development, construction, and financing of transportation projects. The planning committee may consider the following factors in formulating its plan:

(a) Land use planning criteria;

(b) The input of cities located within a participating county; and

(c) The input of regional transportation planning organizations ~~((m))~~ of which a participating county is ~~((located))~~ a member. A regional transportation planning organization in which a participating county is located shall review its adopted regional transportation plan and submit, for the planning committee's consideration, its list of transportation improvement priorities.

(2) The planning committee may coordinate its activities with the department, which shall provide services, data, and personnel to assist in this planning as desired by the planning committee. In addition, the planning committee may coordinate its activities with affected cities, towns, and other local governments, including any regional transit authority existing within the participating counties' boundaries, that engage in transportation planning.

(3) The planning committee shall:

(a) Conduct public meetings that are needed to assure active public participation in the development of the plan;

(b) Adopt a plan proposing the:

(i) Creation of a regional transportation investment district, including district boundaries; and

(ii) Construction of transportation projects to improve mobility within each county and within the region. Operations, maintenance, and preservation of facilities or systems may ~~((not))~~ be part of the plan;

(c) Recommend sources of revenue authorized by RCW 36.120.050 and a financing plan to fund selected transportation projects. The overall plan of the district must leverage the district's financial contributions so that the federal, state, local, and other revenue sources continue to fund major congestion relief and transportation capacity improvement projects in each county and the district. A combination of local, state, and federal revenues may be necessary to pay for transportation projects, and the planning committee shall consider all of these revenue sources in developing a plan.

(4) The plan must use tax revenues and related debt for projects that generally benefit a participating county in proportion to the general level of tax revenues generated within that participating county. This equity principle applies to all modifications to the plan, appropriation of contingency funds not identified within the project estimate, and future phases of the plan. During implementation of the plan, the board shall retain the flexibility to manage distribution of revenues, debt, and project schedules so that the district may

effectively implement the plan. Nothing in this section should be interpreted to prevent the district from pledging district-wide tax revenues for payment of any contract or debt entered into under RCW 36.120.130.

(5) Before adopting the plan, the planning committee, with assistance from the department, shall work with the lead agency to develop accurate cost forecasts for transportation projects. This project costing methodology must be integrated with revenue forecasts in developing the plan and must at a minimum include estimated project costs in constant dollars as well as year of expenditure dollars, the range of project costs reflected by the level of project design, project contingencies, identification of mitigation costs, the range of revenue forecasts, and project and plan cash flow and bond analysis. The plan submitted to the voters must provide cost estimates for each project, including reasonable contingency costs. Plans submitted to the voters must provide that the maximum amount possible of the funds raised will be used to fund projects in the plan, including environmental improvements and mitigation, and that administrative costs be minimized. If actual revenue exceeds actual plan costs, the excess revenues must be used to retire any outstanding debt associated with the plan.

(6) If a county opts not to adopt the plan or participate in the regional transportation investment district, but two or more contiguous counties do choose to continue to participate, then the planning committee may, within ninety days, redefine the regional transportation investment plan and the ballot measure to be submitted to the people to reflect elimination of the county, and submit the redefined plan to the legislative authorities of the remaining counties for their decision as to whether to continue to adopt the redefined plan and participate. This action must be completed within sixty days after receipt of the redefined plan.

(7) Once adopted by the planning committee, the plan must be forwarded to the participating county legislative authorities to initiate the election process under RCW 36.120.070. The planning committee shall at the same time provide notice to each city and town within the district, the governor, the chairs of the transportation committees of the legislature, the secretary of transportation, and each legislator whose legislative district is partially or wholly within the boundaries of the district.

(8) If the ballot measure is not approved, the planning committee may redefine the selected transportation projects, financing plan, and the ballot measure. The county legislative authorities may approve the new plan and ballot measure, and may then submit the revised proposition to the voters at the next election or a special election. If no ballot measure is approved by the voters by the third vote, the planning committee is dissolved.

Sec. 12. RCW 36.120.070 and 2002 c 56 s 107 are each amended to read as follows:

Beginning no sooner than the 2007 general election, and subject to the approval of the regional transportation commission established in section 2 of this act, or its successor entity, two or more contiguous county legislative authorities, upon receipt of the regional transportation investment plan under RCW 36.120.040, may ((certify the plan to the ballot, including identification of the tax options)) submit to the voters of the proposed district a single ballot measure that approves formation of the district, approves the regional transportation investment plan, and approves the revenue sources necessary to ((fund)) finance the plan. ((County legislative authorities)) For a county to participate in the plan, the county legislative authorities shall, within ninety days after receiving the plan, adopt an ordinance indicating the county's participation. The

planning committee may draft ((a ballot title;)) the ballot measure on behalf of the county legislative authorities, and the county legislative authorities may give notice as required by law for ballot measures, and perform other duties as required to ((put the plan before)) submit the measure to the voters of the proposed district for their approval or rejection ((as a single ballot measure that both approves formation of the district and approves the plan)). Counties may negotiate interlocal agreements necessary to implement the plan. The electorate will be the voters voting within the boundaries of the ((participating counties)) proposed district. A simple majority of the total persons voting on the single ballot measure ((to approve the plan, establish the district, and approve the taxes and fees)) is required for approval.

Sec. 13. RCW 29A.36.071 and 2004 c 271 s 169 are each amended to read as follows:

(1) Except as provided to the contrary in RCW 82.14.036, 82.46.021, or 82.80.090, the ballot title of any referendum filed on an enactment or portion of an enactment of a local government and any other question submitted to the voters of a local government consists of three elements: (a) An identification of the enacting legislative body and a statement of the subject matter; (b) a concise description of the measure; and (c) a question. The ballot title must conform with the requirements and be displayed substantially as provided under RCW 29A.72.050, except that the concise description must not exceed seventy-five words; however, a concise description submitted on behalf of a regional transportation investment district may exceed seventy-five words. If the local governmental unit is a city or a town, the concise statement shall be prepared by the city or town attorney. If the local governmental unit is a county, the concise statement shall be prepared by the prosecuting attorney of the county. If the unit is a unit of local government other than a city, town, or county, the concise statement shall be prepared by the prosecuting attorney of the county within which the majority area of the unit is located.

(2) A referendum measure on the enactment of a unit of local government shall be advertised in the manner provided for nominees for elective office.

(3) Subsection (1) of this section does not apply if another provision of law specifies the ballot title for a specific type of ballot question or proposition.

Sec. 14. RCW 36.120.080 and 2002 c 56 s 108 are each amended to read as follows:

If the voters approve the plan, including creation of a regional transportation investment district and imposition of taxes and fees, the district will be declared formed. The county election officials of participating counties shall, within fifteen days of the final certification of the election results, publish a notice in a newspaper or newspapers of general circulation in the district declaring the district formed, and mail copies of the notice to the governor, the secretary of transportation, the executive director of the regional transit authority in which any part of the district is located, and the executive director of the regional transportation planning organization in which any part of the district is located. A party challenging the procedure or the formation of a voter-approved district must file the challenge in writing by serving the prosecuting attorney of the participating counties and the attorney general within thirty days after the final certification of the election. Failure to challenge within that time forever bars further challenge of the district's valid formation.

Sec. 15. RCW 36.120.110 and 2002 c 56 s 111 are each amended to read as follows:

(1) The governing board of the district is responsible for the execution of the voter-approved plan. The board shall:

(a) Impose taxes and fees authorized by district voters;

(b) Enter into agreements with state, local, and regional agencies and departments as necessary to accomplish district purposes and protect the district's investment in transportation projects;

(c) Accept gifts, grants, or other contributions of funds that will support the purposes and programs of the district;

(d) Monitor and audit the progress and execution of transportation projects to protect the investment of the public and annually make public its findings;

(e) Pay for services and enter into leases and contracts, including professional service contracts;

(f) Hire no more than ten employees, including a director or executive officer, a treasurer or financial officer, a project manager or engineer, a project permit coordinator, and clerical staff; and

(g) Coordinate its activities with affected cities, towns, and other local governments, including any regional transit authority existing either partially or entirely within the district area, that engage in transportation planning; and

(h) Exercise other powers and duties as may be reasonable to carry out the purposes of the district.

(2) It is the intent of the legislature that existing staff resources of lead agencies be used in implementing this chapter. A district may coordinate its activities with the department, which shall provide services, data, and personnel to assist as desired by the regional transportation investment district. Lead agencies for transportation projects that are not state facilities shall also provide staff support for the board.

(3) A district may not acquire, hold, or dispose of real property.

(4) Except as provided in section 9(8)(c) of this act, a district may not own, operate, or maintain an ongoing facility, road, or transportation system.

(5) A district may accept and expend or use gifts, grants, or donations.

(6) It is the intent of the legislature that administrative and overhead costs of a regional transportation investment district be minimized. For transportation projects costing up to fifty million dollars, administrative and overhead costs may not exceed three percent of the total construction and design project costs per year. For transportation projects costing more than fifty million dollars, administrative and overhead costs may not exceed three percent of the first fifty million dollars in costs, plus an additional one-tenth of one percent of each additional dollar above fifty million. These limitations apply only to the district, and do not limit the administration or expenditures of the department.

(7) A district may use the design-build procedure for transportation projects developed by it. As used in this section "design-build procedure" means a method of contracting under which the district contracts with another party for that party to both design and build the structures, facilities, and other items specified in the contract. The requirements and limitations of RCW 47.20.780 and 47.20.785 do not apply to the transportation projects under this chapter.

Sec. 16. RCW 81.112.030 and 1994 c 44 s 1 are each amended to read as follows:

Two or more contiguous counties each having a population of four hundred thousand persons or more may establish a regional transit authority to develop and operate a high capacity transportation system as defined in chapter 81.104 RCW.

The authority shall be formed in the following manner:

(1) The joint regional policy committee created pursuant to RCW 81.104.040 shall adopt a system and financing plan, including the definition of the service area. This action shall be completed by September 1, 1992, contingent upon satisfactory completion of the planning process defined in RCW 81.104.100. The final system plan shall be adopted no later than June 30, 1993. In addition to the requirements of RCW 81.104.100, the plan for the proposed system shall provide explicitly for a minimum portion of new tax revenues to be allocated to local transit agencies for interim express services. Upon adoption the joint regional policy committee shall immediately transmit the plan to the county legislative authorities within the adopted service area.

(2) The legislative authorities of the counties within the service area shall decide by resolution whether to participate in the authority. This action shall be completed within forty-five days following receipt of the adopted plan or by August 13, 1993, whichever comes first.

(3) Each county that chooses to participate in the authority shall appoint its board members as set forth in RCW 81.112.040 and shall submit its list of members to the secretary of the Washington state department of transportation. These actions must be completed within thirty days following each county's decision to participate in the authority.

(4) The secretary shall call the first meeting of the authority, to be held within thirty days following receipt of the appointments. At its first meeting, the authority shall elect officers and provide for the adoption of rules and other operating procedures.

(5) The authority is formally constituted at its first meeting and the board shall begin taking steps toward implementation of the system and financing plan adopted by the joint regional policy committee. If the joint regional policy committee fails to adopt a plan by June 30, 1993, the authority shall proceed to do so based on the work completed by that date by the joint regional policy committee. Upon formation of the authority, the joint regional policy committee shall cease to exist. The authority may make minor modifications to the plan as deemed necessary and shall at a minimum review local transit agencies' plans to ensure feeder service/high capacity transit service integration, ensure fare integration, and ensure avoidance of parallel competitive services. The authority shall also conduct a minimum thirty-day public comment period.

(6) If the authority determines that major modifications to the plan are necessary before the initial ballot proposition is submitted to the voters, the authority may make those modifications with a favorable vote of two-thirds of the entire membership. Any such modification shall be subject to the review process set forth in RCW 81.104.110. The modified plan shall be transmitted to the legislative authorities of the participating counties. The legislative authorities shall have forty-five days following receipt to act by motion or ordinance to confirm or rescind their continued participation in the authority.

(7) If any county opts to not participate in the authority, but two or more contiguous counties do choose to continue to participate, the authority's board shall be revised accordingly. The authority shall, within forty-five days, redefine the system and financing plan to reflect elimination of one or more counties, and submit the redefined plan to the legislative authorities of the remaining counties for their decision as to whether to continue to participate. This action shall be completed within forty-five days following receipt of the redefined plan.

(8) The authority shall place on the ballot within two years of the authority's formation, a single ballot proposition to authorize the

imposition of taxes to support the implementation of an appropriate phase of the plan within its service area. In addition to the system plan requirements contained in RCW 81.104.100(2)(d), the system plan approved by the authority's board before the submittal of a proposition to the voters shall contain an equity element which:

(a) Identifies revenues anticipated to be generated by corridor and by county within the authority's boundaries;

(b) Identifies the phasing of construction and operation of high capacity system facilities, services, and benefits in each corridor. Phasing decisions should give priority to jurisdictions which have adopted transit-supportive land use plans; and

(c) Identifies the degree to which revenues generated within each county will benefit the residents of that county, and identifies when such benefits will accrue.

A simple majority of those voting within the boundaries of the authority is required for approval. If the vote is affirmative, the authority shall begin implementation of the projects identified in the proposition. However, the authority may not submit any authorizing proposition for voter-approved taxes prior to July 1, 1993; nor may the authority issue bonds or form any local improvement district prior to July 1, 1993.

(9) If the vote on a proposition fails, the board may redefine the proposition, make changes to the authority boundaries, and make corresponding changes to the composition of the board. If the composition of the board is changed, the participating counties shall revise the membership of the board accordingly. The board may then submit the revised proposition or a different proposition to the voters. No single proposition may be submitted to the voters more than twice.

(10) Beginning no sooner than the 2007 general election, and subject to the approval of the regional transportation commission established in section 2 of this act, or its successor entity, the authority may place additional propositions on the ballot to impose taxes to support additional phases of plan implementation. In conjunction with RCW 36.120.070, the proposition may be submitted to the voters as a common ballot measure along with a proposed regional transportation investment plan.

(11) If the authority is unable to achieve a positive vote on a proposition within two years from the date of the first election on a proposition, the board may, by resolution, reconstitute the authority as a single-county body. With a two-thirds vote of the entire membership of the voting members, the board may also dissolve the authority.

Sec. 17. RCW 35.95A.080 and 2002 c 248 s 9 are each amended to read as follows:

(1) Every authority has the power to levy and collect a special excise tax not exceeding two and one-half percent on the value of every motor vehicle owned by a resident of the authority area for the privilege of using a motor vehicle. ~~((Before utilization of any excise tax money collected under this section for acquisition of right of way or construction of a public monorail transportation facility on a separate right of way, the authority must adopt rules affording the public an opportunity for corridor public hearings and design public hearings, which provide in detail the procedures necessary for public participation in the following instances: (a) Prior to adoption of location and design plans having a substantial social, economic, or environmental effect upon the locality upon which they are to be constructed; or (b) on the public transportation facilities operating on a separate right of way whenever a substantial change is proposed relating to location or design in the adopted plan. In adopting rules~~

the authority must adhere to the provisions of the administrative procedure act.

~~— (2) A "corridor public hearing" is a public hearing that: (a) Is held before the authority is committed to a specific route proposal for the public transportation facility, and before a route location is established; (b) is held to afford an opportunity for participation by those interested in the determination of the need for, and the location of, the public transportation facility; and (c) provides a public forum that affords a full opportunity for presenting views on the public transportation facility route location, and the social, economic, and environmental effects on that location and alternate locations. However, the hearing is not deemed to be necessary before adoption of a transportation plan as provided in section 7 of this act or a vote of the qualified electors under subsection (5) of this section.~~

~~— (3) A "design public hearing" is a public hearing that: (a) Is held after the location is established but before the design is adopted; (b) is held to afford an opportunity for participation by those interested in the determination of major design features of the public monorail transportation facility; and (c) provides a public forum to afford a full opportunity for presenting views on the public transportation system design, and the social, economic, and environmental effects of that design and alternate designs, including people-mover technology.~~

~~— (4) An authority imposing a tax under subsection (1) of this section may also impose a sales and use tax, in addition to any tax authorized by RCW 82.14.030, upon retail car rentals within the city that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax must not exceed 1.944 percent of the base of the tax. The base of the tax will be the selling price in the case of a sales tax or the rental value of the vehicle used in the case of a use tax. The revenue collected under this subsection will be distributed in the same manner as sales and use taxes under chapter 82.14 RCW.~~

~~— (5) Before any authority may impose any of the taxes authorized under this section, the authorization for imposition of the taxes must be approved by the qualified electors of the authority area.) An authority shall not decrease the tax rate levied as of January 1, 2006, and shall not levy or collect the special excise tax under this section once the debt and obligations, including judgments, of the authority have been satisfied.~~

(2) After the debt and obligations, including judgments, of the city transportation authority have been satisfied as determined under section 5 of this act: (a) The governing body of the authority shall send to the governing body of the city with a population of five hundred sixty thousand or more in which the authority is wholly located a letter certifying that the debt is retired and a contingency account has been funded in an amount determined by the governing body of the authority to be sufficient to resolve any existing and reasonably foreseeable legal claims against the authority; and (b) the governing body of a city with a population of five hundred sixty thousand or more may, upon approval by the voters as part of an integrated regional transportation ballot measure, levy and collect a special excise tax not exceeding two and one-half percent on the value of every motor vehicle owned by a resident of the authority area for the privilege of using a motor vehicle.

Sec. 18. RCW 35.95A.110 and 2002 c 248 s 12 are each amended to read as follows:

(1) All taxes and fees levied and collected by an authority must be used solely for the purpose of paying all or any part of ((the cost of acquiring, designing, constructing, equipping, maintaining, or operating public monorail transportation facilities or contracting for the services thereof, or to pay or secure the payment of all or part of))

the principal of or interest on any general obligation bonds or revenue bonds issued for authority purposes. ~~((Until expended, money accumulated in the funds and accounts of an authority may be invested in the manner authorized by the governing body of the authority, consistent with state law.))~~

If any of the revenue from any tax or fee authorized to be levied by an authority has been pledged by the authority to secure the payment of any bonds as herein authorized, then as long as that pledge is in effect the legislature will not withdraw from the authority the authorization to levy and collect the tax or fee.

(2) All taxes and fees levied and collected by a city under section 5 of this act must be used for funding nonmonorail transit within the city.

Sec. 19. RCW 36.120.050 and 2003 c 350 s 4 are each amended to read as follows:

(1) A regional transportation investment district planning committee may, as part of a regional transportation investment plan, recommend the imposition of some or all of the following revenue sources, which a regional transportation investment district may impose upon approval of the voters as provided in this chapter:

(a) A regional sales and use tax, as specified in RCW 82.14.430, of up to ~~((0.5))~~ 0.1 percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, upon the occurrence of any taxable event in the regional transportation investment district;

(b) A local option vehicle license fee, as specified under RCW 82.80.100, of up to one hundred dollars per vehicle registered in the district. As used in this subsection, "vehicle" means motor vehicle as defined in RCW 46.04.320. Certain classes of vehicles, as defined under chapter 46.04 RCW, may be exempted from this fee;

(c) A parking tax under RCW 82.80.030;

(d) A local motor vehicle excise tax under RCW 81.100.060 and chapter 81.104 RCW;

(e) A local option fuel tax under RCW 82.80.120;

(f) An employer excise tax under RCW 81.100.030; and

(g) Vehicle tolls on new or reconstructed ~~((facilities.))~~ local or regional arterials or state or federal highways within the boundaries of the district, if the following conditions are met:

(i) Any such toll must be approved by the transportation commission or its successor;

(ii) The regional transportation investment plan must identify the facilities that may be tolled; and

(iii) Unless otherwise specified by law, the department shall administer the collection of vehicle tolls on designated facilities, and the state transportation commission, or its successor, shall be the tolling authority.

(2) Taxes, fees, and tolls may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the district voting on a ballot proposition as set forth in RCW 36.120.070. Revenues from these taxes and fees may be used only to implement the plan as set forth in this chapter. A district may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes or fees authorized in this section.

(3) Existing statewide motor vehicle fuel and special fuel taxes, at the distribution rates in effect on January 1, 2001, are not intended to be altered by this chapter.

Sec. 20. RCW 81.100.080 and 1990 c 43 s 19 are each amended to read as follows:

Funds collected under RCW 81.100.030 or 81.100.060 and any investment earnings accruing thereon shall be used by the county or the regional transportation investment district in a manner consistent with the regional transportation plan only for costs of collection, costs of preparing, adopting, and enforcing agreements under RCW 81.100.030(3), for construction of high occupancy vehicle lanes and related facilities, mitigation of environmental concerns that result from construction or use of high occupancy vehicle lanes and related facilities, by an investment district for projects contained in a plan developed under chapter 36.120 RCW, payment of principal and interest on bonds issued for the purposes of this section, for high occupancy vehicle programs as defined in RCW 81.100.020(5), and for commuter rail projects in accordance with RCW 81.104.120. Except for funds raised by an investment district, no funds collected under RCW 81.100.030 or 81.100.060 after June 30, 2000, may be pledged for the payment or security of the principal or interest on any bonds issued for the purposes of this section. Not more than ten percent of the funds may be used for transit agency high occupancy vehicle programs.

Priorities for construction of high occupancy vehicle lanes and related facilities shall be as follows:

(1)(a) To accelerate construction of high occupancy vehicle lanes on the interstate highway system, as well as related facilities;

(b) To finance or accelerate construction of high occupancy vehicle lanes on the noninterstate state highway system, as well as related facilities.

(2) To finance construction of high occupancy vehicle lanes on local arterials, as well as related facilities.

Moneys received by ~~((an agency))~~ a county under this chapter shall be used in addition to, and not as a substitute for, moneys currently used by the ~~((agency))~~ county for the purposes specified in this section.

Counties and investment districts may contract with cities or the state department of transportation for construction of high occupancy vehicle lanes and related facilities, and may issue general obligation bonds to fund such construction and use funds received under this chapter to pay the principal and interest on such bonds.

Sec. 21. RCW 81.100.060 and 2002 c 56 s 411 are each amended to read as follows:

A county with a population of one million or more and a county with a population of from two hundred ten thousand to less than one million that is adjoining a county with a population of one million or more, having within their boundaries existing or planned high-occupancy vehicle lanes on the state highway system, or a regional transportation investment district ~~((for capital improvements))~~, but only to the extent that the surcharge has not already been imposed by the county, may, with voter approval, impose a local surcharge of not more than three-tenths of one percent in the case of a county, or six-tenths of one percent in the case of a regional transportation investment district, of the value on vehicles registered to a person residing within the county or investment district and not more than 13.64 percent on the state sales and use taxes paid under the rate in RCW 82.08.020(2) on retail car rentals within the county or investment district. A county may impose the surcharge only to the extent that it has not been imposed by the district. No surcharge may be imposed on vehicles licensed under RCW 46.16.070 except vehicles with an unladen weight of six thousand pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.

Counties or investment districts imposing a tax under this section shall contract, before the effective date of the resolution or ordinance imposing a surcharge, administration and collection to the

state department of licensing, and department of revenue, as appropriate, which shall deduct ~~((an))~~ a percentage amount, as provided by contract, not to exceed two percent of the taxes, for administration and collection expenses incurred by the department. All administrative provisions in chapters 82.03, 82.32, and 82.44 RCW shall, insofar as they are applicable to motor vehicle excise taxes, be applicable to surcharges imposed under this section. A local sales and use tax change shall take effect no sooner than seventy-five days after the department of revenue receives notice of the change and only on the first day of January, April, July, or October. Notice includes providing the department of revenue with the digital mapping and legal descriptions of areas in which the tax will be collected. All administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32 RCW shall, insofar as they are applicable to state sales and use taxes, be applicable to surcharges imposed under this section.

If the tax authorized in RCW 81.100.030 is also imposed, the total proceeds from tax sources imposed under this section and RCW 81.100.030 each year shall not exceed the maximum amount which could be collected under this section.

Sec. 22. RCW 82.14.430 and 2002 c 56 s 405 are each amended to read as follows:

(1) If approved by the majority of the voters within its boundaries voting on the ballot proposition, a regional transportation investment district may impose a sales and use tax of up to ~~((0.5))~~ 0.1 percent of the selling price or value of the article used in the case of a use tax. The tax authorized by this section is in addition to the tax authorized by RCW 82.14.030 and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the taxing district. Motor vehicles are exempt from the sales and use tax imposed under this subsection.

(2) If approved by the majority of the voters within its boundaries voting on the ballot proposition, a regional transportation investment district may impose a tax on the use of a motor vehicle within a regional transportation investment district. The tax applies to those persons who reside within the regional transportation investment district. The rate of the tax may not exceed ~~((0.5))~~ 0.1 percent of the value of the motor vehicle. The tax authorized by this subsection is in addition to the tax authorized under RCW 82.14.030 and must be imposed and collected at the time a taxable event under RCW 82.08.020(1) or 82.12.020 takes place. All revenue received under this subsection must be deposited in the local sales and use tax account and distributed to the regional transportation investment district according to RCW 82.14.050. The following provisions apply to the use tax in this subsection:

(a) Where persons are taxable under chapter 82.08 RCW, the seller shall collect the use tax from the buyer using the collection provisions of RCW 82.08.050.

(b) Where persons are taxable under chapter 82.12 RCW, the use tax must be collected using the provisions of RCW 82.12.045.

(c) "Motor vehicle" has the meaning provided in RCW 46.04.320, but does not include farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181, off-road and nonhighway vehicles as defined in RCW 46.09.020, and snowmobiles as defined in RCW 46.10.010.

(d) "Person" has the meaning given in RCW 82.04.030.

(e) The value of a motor vehicle must be determined under RCW 82.12.010.

(f) Except as specifically stated in this subsection (2), chapters 82.12 and 82.32 RCW apply to the use tax. The use tax is a local tax

imposed under the authority of chapter 82.14 RCW, and chapter 82.14 RCW applies fully to the use tax.

NEW SECTION. Sec. 23. A new section is added to chapter 36.120 RCW to read as follows:

A regional transportation investment district may adopt system-wide pricing policies and an implementation plan for the regional transportation system within its boundaries. "System-wide pricing" includes the tolling authority provided in RCW 36.120.050, network value-pricing authority provided in section 24 of this act, the authority to set regional transit fares as provided in RCW 81.112.080(4), and other system pricing tools as determined by the district governing board. System-wide pricing charges authorized by this act may be imposed to improve performance of the regional transportation system, improve integration of transportation modes, finance transportation improvements, and measure needed investments. Pricing charges may vary for type of vehicle, time of day, traffic conditions, and other factors.

NEW SECTION. Sec. 24. A new section is added to chapter 82.80 RCW to read as follows:

(1) A regional transportation investment district may impose a network value-pricing charge based upon vehicle travel. This charge may be, but is not limited to, a charge upon the vehicle miles traveled within the district by a vehicle, or upon vehicle miles traveled within certain corridors in the district, or upon total vehicle miles traveled by a vehicle registered to a person whose legal residence is within the district. Network value-pricing charges imposed may vary by type of vehicle, time of day, traffic conditions, and other factors.

(2) Charges imposed may be collected either periodically in a manner prescribed by the district governing board or annually by the department of licensing upon renewal of the vehicle license. The district governing board may identify categories of miles driven that are subject to or exempt from the charge including, but not limited to, travel outside the district, travel in specified corridors, time of travel, or exempt or maximum mileage charges.

(3) The mileage charge under this section is subject to the approval of the transportation commission or its statutory successor.

(4) A district governing board imposing a mileage charge collected annually by the department of licensing upon renewal of the vehicle license shall enter into a contract with the department of licensing. The contract must contain provisions that fully recover the costs to the department of licensing for collection and administration of the charge. The district governing board imposing this charge or initiating an exemption process shall provide at least six months' notice to the department of licensing before the implementation of any changes in registration amounts or exemptions.

Sec. 25. RCW 47.56.076 and 2005 c 335 s 3 are each amended to read as follows:

Upon approval of a majority of the voters within its boundaries voting on the ballot proposition, and ~~((only for the purposes authorized in RCW 36.120.050(1)(g)))~~ with the approval of the state transportation commission or its successor, a regional transportation investment district may authorize and set vehicle tolls on a state ~~((routes where improvements financed in whole or in part by a regional transportation investment district add additional lanes to, or reconstruct lanes on, a highway of statewide significance))~~ or federal highway within the boundaries of the district. The department shall administer the collection of vehicle tolls authorized on designated facilities unless otherwise specified in law or by contract, and the ~~((state transportation))~~ commission ~~((:))~~ or its successor ~~((:))~~ shall ~~((be~~

~~the tolling authority)) set and impose the tolls in amounts sufficient to implement the regional transportation investment plan under RCW 36.120.020.~~

NEW SECTION. Sec. 26. A new section is added to chapter 47.56 RCW to read as follows:

Notwithstanding any provision to the contrary in this chapter, a regional transportation investment district may impose vehicle tolls on either Lake Washington bridge within its boundaries and to implement a regional transportation investment plan as authorized in chapter 36.120 RCW and RCW 47.56.076.

Sec. 27. RCW 43.79A.040 and 2005 c 424 s 18, 2005 c 402 s 8, 2005 c 215 s 10, and 2005 c 16 s 2 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury.

(2) All income received from investment of the treasurer's trust fund shall be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer shall distribute the earnings credited to the investment income account to the state general fund except under (b) and (c) of this subsection.

(b) The following accounts and funds shall receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the Washington international exchange scholarship endowment fund, the developmental disabilities endowment trust fund, the energy account, the fair fund, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the grain inspection revolving fund, the juvenile accountability incentive account, the law enforcement officers' and fire fighters' plan 2 expense fund, the local tourism promotion account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse

fund account), and the life sciences discovery fund. However, the earnings to be distributed shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(c) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right of way revolving fund, the advanced environmental mitigation revolving account, the city and county advance right-of-way revolving fund, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 28. RCW 43.84.092 and 2005 c 514 s 1105, 2005 c 353 s 3, 2005 c 339 s 22, 2005 c 314 s 109, 2005 c 312 s 7, and 2005 c 94 s 1 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the developmental disabilities

community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the emergency reserve fund, The Evergreen State College capital projects account, the federal forest revolving account, the freight mobility investment account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the high-occupancy toll lanes operations account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the Puyallup tribal settlement account, the real estate appraiser commission account, ~~((the regional transportation investment district account,))~~ the resource management cost account, the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each

account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 29. RCW 43.84.092 and 2005 c 514 s 1106, 2005 c 353 s 4, 2005 c 339 s 23, 2005 c 314 s 110, 2005 c 312 s 8, and 2005 c 94 s 2 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the

county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the emergency reserve fund, The Evergreen State College capital projects account, the federal forest revolving account, the freight mobility investment account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the high-occupancy toll lanes operations account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puyallup tribal settlement account, the real estate appraiser commission account, ~~((the regional transportation investment district account, the resource management east account;))~~ the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be

allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 30. A new section is added to chapter 47.01 RCW to read as follows:

The department shall not commence construction on any part of the state route number 520 bridge project until agreements have been reached with the incorporated towns or cities that represent the communities affected by the state route number 520 project. The agreements must provide reasonable assurance that no further degradation will occur to the citizens' current use and enjoyment of their properties as a result of repairs and improvements made to the state route number 520 bridge and its connecting roadways. Such assurances may be achieved through engineering design choices, mitigation measures, or a combination of both.

Sec. 31. RCW 36.73.015 and 2005 c 336 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "District" means a transportation benefit district created under this chapter.

(2) "City" means a city or town.

(3) "Transportation improvement" means a project contained in the transportation plan of the state or a regional transportation planning organization ~~((that is of statewide or regional significance))~~. A project may include investment in new or existing highways of statewide significance, principal arterials of regional significance, high-capacity transportation, public transportation, and other transportation projects and programs of regional or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs. ~~((Not more than forty percent of the revenues generated by a district may be expended on city streets, county roads, existing highways other than highways of statewide significance, and the creation of a new highway that intersects with a highway of statewide significance.))~~

Sec. 32. RCW 36.73.020 and 2005 c 336 s 3 are each amended to read as follows:

(1) The legislative authority of a county or city may establish a transportation benefit district within the county or city area or within the area specified in subsection (2) of this section, for the purpose of acquiring, constructing, improving, providing, and funding a transportation improvement within the district that is consistent with any existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels. The transportation improvements shall be owned by the county of jurisdiction if located in an unincorporated area, by the city of jurisdiction if located in an incorporated area, or by the state in cases where the transportation improvement is or becomes a state highway. However, if deemed appropriate by the governing body of the transportation benefit district, a transportation improvement may be owned by a participating port district or transit district, unless otherwise prohibited by law. Transportation improvements shall be administered and maintained as other public streets, roads, highways, and transportation improvements. To the extent practicable, the district shall consider the following criteria when selecting transportation improvements:

(a) Reduced risk of transportation facility failure and improved safety;

(b) Improved travel time;

(c) Improved air quality;

(d) Increases in daily and peak period trip capacity;

(e) Improved modal connectivity;

(f) Improved freight mobility;

(g) Cost-effectiveness of the investment;

(h) Optimal performance of the system through time; and

(i) Other criteria, as adopted by the governing body.

~~((Subject to subsection (6) of this section,))~~ The district may include area within more than one county, city, port district, county transportation authority, or public transportation benefit area, if the legislative authority of each participating jurisdiction has agreed to the inclusion as provided in an interlocal agreement adopted pursuant to chapter 39.34 RCW. However, the boundaries of the district shall include all territory within the boundaries of the participating jurisdictions comprising the district.

(3) The members of the legislative authority proposing to establish the district, acting ex officio and independently, shall constitute the governing body of the district: PROVIDED, That where a district includes area within more than one jurisdiction under subsection (2) of this section, the district shall be governed under an interlocal agreement adopted pursuant to chapter 39.34 RCW. However, the governing body shall be composed of at least five members including at least one elected official from the legislative authority of each participating jurisdiction.

(4) The treasurer of the jurisdiction proposing to establish the district shall act as the ex officio treasurer of the district, unless an interlocal agreement states otherwise.

(5) The electors of the district shall all be registered voters residing within the district.

~~((The authority under this section, regarding the establishment of or the participation in a district, shall not apply to:~~

~~—(a) Counties with a population greater than one million five hundred thousand persons and any adjoining counties with a population greater than five hundred thousand persons;~~

~~—(b) Cities with any area within the counties under (a) of this subsection; and~~

~~—(c) Other jurisdictions with any area within the counties under (a) of this subsection.))~~

NEW SECTION. Sec. 33. Sections 1 through 6 of this act constitute a new chapter in Title 36 RCW.

NEW SECTION. Sec. 34. Section 28 of this act expires July 1, 2006.

NEW SECTION. Sec. 35. Section 29 of this act takes effect July 1, 2006."

Correct the title.

Representative Cody moved the adoption of amendment (956) to amendment (860):

On page 4, line 27, after "approved by the voters", insert ", within the city and region wide,"

Representatives Cody and Woods spoke in favor of the adoption of the amendment to amendment (860).

The amendment to amendment was adopted.

Representative Hunter moved the adoption of amendment (957) to amendment (860):

On page 40, after line 7, insert:

NEW SECTION. Sec. 33. (1) Prior to a regional transportation public vote, the department of transportation must complete all of the following requirements for both the Alaskan Way Viaduct and Seattle Seawall Replacement Project, and the SR 520 Bridge Replacement and HOV Project: (a) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan, and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project; (b) in accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and (c) the department must report these results for each project to the joint transportation committee.

(2) For purposes of this section, "regional transportation public vote" means a public vote on: (a) any integrated regional transportation finance plan developed by the regional transportation commission or its successor entity under section 3 of this act; (b) any regional transportation investment plan developed by a regional transportation investment district under RCW 36.120.070."

Renumber the sections consecutively, correct any internal references accordingly, and correct the title.

Representatives Hunter, Woods and Tom spoke in favor of the adoption of the amendment to amendment (860).

The amendment to amendment was adopted.

The question before the House was amendment (860) as amended.

Representative Murray spoke in favor of the adoption of the amendment as amended.

The amendment (860) as amended was adopted. The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Murray, Jarrett, Upthegrove, Woods and Lantz spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2871.

MOTION

On motion of Representative Santos, Representative Eickmeyer was excused.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2871 and the bill passed the House by the following vote: Yeas - 71, Nays - 26, Absent - 0, Excused - 1.

Voting yea: Representatives Ahern, Anderson, Appleton, Blake, Buck, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Conway, Crouse, Darneille, Dickerson, Dunshee, Ericks, Ericksen, Flannigan, Fromhold, Grant, Haigh, Hudgins, Hunt, Hunter, Jarrett, Kagi, Kenney, Kessler, Kilmer, Kirby, Lantz, Linville, Lovick, McCoy, McDermott, McDonald, McIntire, Miloscia, Moeller, Morrell, Morris, Murray, Newhouse, Nixon, O'Brien, Pettigrew, Priest, Quall, Roberts, Rodne, Santos, Schindler, Schual-Berke, Sells, Serben, Shabro, Simpson, Skinner, Sommers, Springer, Sullivan, B., Takko, Talcott, Tom, Upthegrove, Wallace, Walsh, Williams, Woods and Mr. Speaker - 71.

Voting nay: Representatives Alexander, Armstrong, Bailey, Buri, Condotta, Cox, Curtis, DeBolt, Dunn, Green, Haler, Hankins, Hasegawa, Hinkle, Holmquist, Kretz, Kristiansen, McCune, Orcutt, Ormsby, Pearson, Roach, Strow, Sullivan, P., Sump and Wood - 26.

Excused: Representative Eickmeyer - 1.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2871, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 9:55 a.m., February 22, 2006, the 45th Day of the Regular Session.

FRANK CHOPP, Speaker

RICHARD NAFZIGER, Chief Clerk

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